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E.O. 12958: DECL: 03/16/2018
TAGS: [PARM](#) [PREL](#) [ETTC](#) [AE](#)
SUBJECT: US - UAE COUNTERPROLIFERATION TASK FORCE MEETING
IN ABU DHABI

REF: 07 ABU DHABI 1966

Classified By: Martin Quinn, Charge d'Affaires a.i., for reasons 1.4 b and d.

¶1. (S/NF) Summary: During the February 25 Counterproliferation Task Force meeting, the UAEG asserted that it was enforcing the 2007 export control law, but was in the process of amending it to make it easier to implement and enforce. The UAE pushed for better coordination and follow-up from the USG on information related to interdictions, noting that it had returned the cargo on the M/V Iran Tabatabaei to Malaysia, but was still holding cargo from four other interdictions. Acting A/S McNerney offered training to the UAEG as it implemented its export control law. The UAEG was receptive and asked for assistance in training prosecutors and judges who were still unaware of the law. On proliferation finance, the UAE Central Bank noted a drop in Iranian financial transfers to the UAE and explained that the Central Bank had authorized Bank Sepah payments to five banks operating in the UAE after ensuring that the payments were for contracts prior to the passage of UNSCRs 1737 and 1747 and were not going to designated entities. End Summary.

¶2. (S) On February 25, Acting ISN Assistant Secretary Patricia McNerney led an interagency delegation to a Counterproliferation Task Force meeting with the UAEG. McNerney also held bilateral meetings with several UAEG officials (septel).

Export Control Law

¶3. (C) The UAEG provided a brief update on the status of implementation of the 2007 export control law. According to UAE Chair BG Mohammad Al-Qemzi, the UAE was enforcing the law and was in the process of amending it to improve its operation. The amendment, currently with the Ministry of Justice, would create a national implementation "body" (whether "authority" or office still TBD) rather than the two implementation committees called for currently. Implementation of the law would be placed under the authority a new implementation body which would report through the Minister of Foreign Affairs to the Cabinet, rather than the Ministry of Economy. Al-Qemzi explained that the UAEG realized it would be impossible for a committee to work on day to day implementation. The amendment would "put someone in control." Al-Qemzi hoped that the amendment would be passed by summer.

¶4. (S) Al-Qemzi asserted that the UAEG was referring to the law in cases where it detained or impounded shipments or acted against companies. In response to a question by the U.S. delegation, Al-Qemzi admitted that most of the enforcement actions were based on U.S.-provided information. USDOC/BIS DAS Borman asked about the procedures for updating the control list, noting that the Government of Singapore (which had served as the model for the UAE control list) had revised its list in the beginning of 2008 to better reflect the international control regimes. The UAE explained that the list was designed to be updated and that the UAE was evaluating it to ensure that it reflected the international regimes.

Training

¶5. (SBU) A/S McNerney offered USG assistance and training for the UAE to implement and enforce its export control law. She briefly explained the USG's Export Control and Related Border Security (EXBS) program. She noted that the USG had funds allocated to training programs, but that it would need to spend those funds relatively quickly. Al-Qemzi stated that the UAEG's highest training priority would be training for prosecutors and judges. For the UAEG to successfully make cases, he noted, judges and prosecutors would need to understand the seriousness of the crimes. He also expressed some interest in outreach to the UAE Chambers of Commerce on licensing issues. Federal Customs Authority Director general Mohammed Al-Mehairi expressed interest in the same types of training that the U.S. had provided Singapore.

UNSCR Implementation

¶6. (C) The Central Bank's Ahmed Al-Qamzi briefly discussed UAE observations regarding proliferation finance. He stated that the UAE had noted a drop in financial transfers from Iran. The UAE had issued two circulars concerning the UNSCRs and inspected financial institutions to ensure that no funds were received by designated entities.

¶7. (SBU) Ahmed Al-Qamzi noted that the UAE had notified the UNSC 1737 committee of its intent to authorize payments from Bank Sepah accounts to five banks operating in the UAE. He confirmed that the Central Bank had authorized five banks operating in the UAE to receive Sepah payments and reiterated that the Central Bank had checked to ensure that the payments were for contracts entered into prior to the relevant UNSCRs and that they did not accrue to any designated entity.

¶8. (S/NF) AA/S McNerney raised the issue of Tanchon Bank officials operating in the UAE and facilitating bank transactions for Iran's Bank Sepah on the Iranian owned Kish Island. She asked whether the UAE had uncovered any information based on USG provided information. Ahmed Al-Qamzi replied that Tanchon was not licensed to operate in the UAE and that the Central Bank had frozen its accounts in the UAE based on a U.S. request. He said he was not aware of their presence in the UAE and asked AA/S McNerney for additional information, which she agreed to provide. (Note: Post raised this with MFA International Organizations Director Yacoub Al-Hosani in December 2007, per reftel. End Note.)

¶9. (S) AA/S McNerney briefed on the new draft UN Security Council resolution that -- if adopted -- would call for further scrutiny on two Iranian banks (Melli and Saderat). The resolution would also call on states to inspect cargos bound for Iran on Iran Air and IRSIL lines and increase the number of goods to be scrutinized. The resolution would move beyond current sanctions and should be seen in the context of the current IAEA report. Although the IAEA report did show some Iranian cooperation, it highlighted Iran's continuing failure to comply with its UNSC obligation to suspend all uranium enrichment-related, reprocessing, and heavy

water-related activities without delay. It also underscored Iran's refusal to provide the necessary transparency and cooperation to the IAEA to permit it to make credible assurances as to the exclusively peaceful nature of Iran's nuclear program.

¶10. (S/NF) BG Al-Qemzi noted that the publication of the unclassified version of the U.S. National Intelligence

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Estimate (NIE) had increased Iranian pressure on the UAE to permit items to transit to Iran. He noted that the Iranians appeared to be accelerating their shipments and had formally approached the UAEG to ask: "Why are you stopping material, when the CIA has cleared us?" Al-Qemzi further noted that the UAE's information and analysis that the Iranians were still working on nuclear weapons development, information that it had shared with "friendly governments" did not appear to have made it into the "CIA's analysis." The UAE continued to assess that the Iranians were moving forward rapidly with their nuclear weapons development program. AA/S McNerney stated that neither the NIE nor the IAEA cleared Iran, and many serious issues, including weaponization, were outstanding. She noted that the Iranians were characterizing reports for their own purposes.

Interdictions

¶11. (S) BG Al-Qemzi expressed concerns about the process of coordination regarding interdictions, which he stated should only be the beginning of the process not the end. Once the USG had passed enough information to stop a shipment, it needed to follow-through with more information to help the UAEG make a case for continuing to detain the shipment. MFA Director of International Cooperation Yacoub Al-Hosani explained that intelligence sharing had improved in terms of details although timeliness was still a concern. Short notice/evening/weekend approaches for interdictions logistical challenges for UAE officials. The earlier the information was passed, the "better for all of us," he noted.

¶12. (S) The UAE stated that it needs USG support to work with originator countries, especially China, which have proved resistant to accepting cargo return. AA/S McNerney noted that the USG has raised concerns about Iran to the highest

levels of the Chinese government and that the USG shares the UAEG's impatience. Al-Hosani explained that the UAE had invited the Chinese authorities to send a delegation to the UAE to discuss the problem of transshipment. The GoC accepted, but has not yet committed to a time.

¶13. (S) The UAEG side complained that USG follow-up is slow, once shipments are stopped by the UAE. In each case, the UAE had requested further information to determine whether to prosecute or to return the cargo to its country of origin. DHS/ICE attach explained the process that U.S. law enforcement uses to conduct parallel investigations when it receives intelligence information. Al-Mehari expressed interest in receiving information on parallel investigations as the UAE's Federal Customs Authority tries to build its capacity, especially to develop an intelligence analysis capability.

¶14. (S/NF) In the case of the aluminum tubes and plates carried on the M/V Iran Tabatabaei, UAEG officials stated that the cargo had been returned some weeks ago to Malaysia. BG Al-Qemzi explained that the UAE had come under pressure to resolve the interdiction and "had to act." Note: Yousef Al Otaiba indicated later to AA/S McNerney that he had told UAE officials after the meeting that the UAE would make sure to provide advance notice in the future of such disposition actions. (end note) The UAE had requested further information from the USG, which had not been forthcoming. Since the UAEG was not prepared to have the shipment continue to Iran, it was returned to Malaysia.

PSI

¶15. (C) The U.S. informed the UAE side about two upcoming PSI-related events, a Regional Workshop in Budapest and the 5th Anniversary Senior Level Meeting (May 28-29, Washington, DC) and noted that invitations would be coming shortly. The UAE delegation raised concerns about the confidentiality of information shared during the PSI process, noting that in some cases confidentiality had not been respected.

Mayrow

¶16. (C) BG Al-Qemzi reacted strongly to the inclusion of Mayrow General Trading in the agenda. The UAEG had closed Mayrow, he stated, despite the lack of information from the USG needed to complete the investigation. The UAEG had submitted a paper on Mayrow with specific requests for evidence needed to further its investigation and never received any answers. Despite that, the UAEG took administrative action to deport individuals involved, including Ali Yahya, and to close Mayrow and its affiliate Atlinx. In response, DAS Borman noted that we were providing new information on Mayrow, specifically, that we have reason to believe that Ali Akbar Yahya continues to operate Atlinx Electronics and that Hamid Al Fahid Company has taken over the Mayrow operations at the Ahmed Ali Building in Deira, Dubai. DAS Borman asked Al-Qemzi to resubmit the requests. A/AS McNerney also emphasized that this issue should remain in the CTF as it involved issues related to Iran,s proliferation activities.

Global Initiative to Combat Nuclear Terrorism

¶17. (SBU) The UAE asked for more information on the Global Initiative to Combat Nuclear Terrorism, including the list of participants and the commitments to which countries would subscribe. AA/S McNerney explained that there was a set of principles laid out in the global initiative and a plan of work was being developed to meet those principles. Countries could join by sending a diplomatic note to either the U.S. or the Russian Embassy.

(SBU) UAE Delegation

¶18. (SBU) UAE Delegation Members

-- Brigadier General Mohammad bin Dhaen al Qemzi, Director of Dubai's General Department of State Security (GDSS)
-- Brigadier General Abdul Aziz Maktoum Al Sharifi, Protective Security Administration, Ministry of Interior (MoI)
-- Yousef Al Otaiba, Director of International Affairs,

Office of the Crown Prince of Abu Dhabi

-- Yacoub Al Hosani, Director for International Affairs, Ministry of Foreign Affairs

-- Mohammed Al-Mehari, Director General Federal Customs Authority

-- Awad Al-Niyadi, UAE Armed Forces

-- Major Mansour Al-Bastaki, GDSS

-- Riyadh Al-Balhool, Dubai Police

Seif Al-Muhairy, State Security

-- Abdullah Al-Nuwaimi, State Security

-- Ahmed Saeed Al Qamzi, Anti Money Laundering Suspicious Cases Unit (AMLSCU), Central Bank

-- Mohammad Khalifa Al Kitbi, Protective Security Administration, MoI.

-- Khalifa Al-Mazroui, MFA

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